by the Government and to what extent this will be helpful to the banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) to (c).

At present there is no such proposal. However, Government has appointed a high level committee to consider all relevant aspects of structure, organisation, functions and procedures of the financial system. The committee is expected to advise the Government on appropriate measures that would be needed to enhance the viability and health of the financial sector so that it can better serve the needs of the economy without any sacrifice of the canons and principles of a sound financial system.

Review of functioning of Indian Banks Operating Abroad

385. SHRI R. SURENDER REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether the Government are contemplating a drastic overhaul of Indian Bank operations abroad;

(b) if so, the details thereof; and

(c) to what extent it will help Indian Bank operations abroad in view of the liberalisation of the industrial policy?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) to (c). Such steps as are considered appropriate from time to time are taken to meet the changing requirements of industry and to improve the operations of Indian banks abroad. Measures have also been initiated to consolidate overseas operations of Indian banks which inter alia include setting up of an international bank to take over existing branches of nationalised banks (except State Bank of India).

Sale of Equity by Industrial Houses to Raise Foreign Exchange Resources

386. SHRI DIGVIJAYA SINGH:
SHRI GUMAN MAL LODHA:
SHRI RAM PRASAD SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether there are any proposals from industrial houses to raise foreign exchange resources by sale of their equity abroad;

(b) if so, the details thereof and the reaction of the Government to these proposals;

(c) whether a time-bound procedure exists for speedy clearance of such proposals; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) to (d). The question of permitting Indian Companies to issue foreign currency convertible bond/equity abroad is under consideration.

[*Translation*]

India's Position in World Chillies Market

387. SHRI RAM SHARAN YADAV: Will the Minister of COMMERCE be pleased to state:

(a) whether India has lost its position in the world chillies market;

(b) if so, the reasons therefor; and

(c) the steps being taken to restore

India's lost position in this trade?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) No Sir, on the contrary exports have shown an increasing trend.

(b) and (c). Do not arise in view of (a) above.

Issue of Cumulative Convertible Preference Shares by Companies

388. SHRI RAM SHARAN YADAV: Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to allow companies to issue cumulative convertible preference shares for attracting more capital investment from the public;

(b) if so, the salient features of this scheme;

(c) whether it will affect the expansion of equity risk capital; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) and (b). Public Limited companies are already permitted to raise funds inter-alia by way of issue of Cumulative Convertible Preference Shares (CCPS). Guidelines in this regard were issued on 19th August, 1985.

(c) and (d). Since CCPS are convertible between the end of three years and five years from the date of allotment, the equity capital of Companies issuing CCPS gets expanded to the extent of the equity capital arising out of conversion of CCPS.

Disposal of Loan Applications By United Bank of India

389. SHRI RAM SHARAN YADAV: Will the Minister of FINANCE be pleased to state:

(a) whether the United Bank of India has fixed new norms for the disposal of loan application in short time;

(b) if so, the details thereof; and

(c) the number of loan applications pending with the various branches of United Bank of India till 31 October, 1991 and the time by which these are likely to be disposed of?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) No, Sir. The norms followed by the Bank for the disposal of loan applications are according to the guidelines issued by RBI.

(b) Does not arise.

(c) United Bank of India has reported that the existing information system does not generate the statistics regarding number of loan applications pending with various branches as at the end of each month. Normally, loan applications are disposed of within a fortnight to 8-9 weeks.

Identification of Export Oriented Items

390. SHRI RAM SHARAN YADAV: Will the Minister of COMMERCE be pleased to state:

(a) whether Government have identified certain export-oriented items;

(b) if so, the details thereof;

(c) whether preserved food items which are in short supply and are available only to the rich are included in it and as such affecting the health of weaker section of the society;

(d) whether the Government propose to ban the export of items like oilseeds, oil